

## General Assembly

## **Amendment**

January Session, 2009

LCO No. 7018

\*HB0651007018HD0\*

Offered by:

REP. NARDELLO, 89th Dist.

To: Subst. House Bill No. **6510** 

File No. 483

Cal. No. 334

## "AN ACT ESTABLISHING A PUBLIC POWER AUTHORITY."

- In line 92, after "sold" insert "through the electric distribution
- 2 companies or the Connecticut Municipal Electric Energy Cooperative"
- 3 In line 94, after "return" insert ", as determined by the Department of
- 4 Public Utility Control"
- 5 In line 95, strike "and consumers"
- 6 In line 110, after "Control" insert ", in consultation with the electric
- 7 distribution companies,"
- 8 In line 111, after "are" insert "consistent with the principles of section
- 9 16-19e of the general statutes and"
- 10 Strike section 7 in its entirety and renumber remaining sections and
- 11 internal references accordingly
- 12 In sections 9 to 14, inclusive, change the effective date from "October
- 13 1, 2009" to "October 1, 2010"

Strike lines 495 to 499, inclusive, and insert in lieu thereof "the State

- 15 Bond Commission established pursuant to section 3-20 of the general
- statutes, the authority may borrow money and issue bonds and notes
- 17 from time to time and use the proceeds thereof for the purposes of
- 18 implementing the provisions of the comprehensive plan approved
- 19 pursuant to section 16a-3a of the general statutes."
- 20 In line 500, strike "this act."
- In line 531, strike "Treasurer or the Deputy Treasurer" and insert in
- 22 lieu thereof "State Bond Commission established pursuant to section 3-
- 23 20"
- In line 532, strike "appointed pursuant to section 3-12"
- In line 939, bracket "department" and after the closing bracket insert
- 26 "authority"
- 27 In line 940, bracket "electric distribution company and the third-
- 28 party" and after the closing bracket insert "authority"
- 29 Strike section 16 in its entirety and renumber the remaining sections
- and internal references accordingly
- In line 996, strike "shall, in concurrence with the chairperson of the"
- 32 Strike lines 997 to 1003, inclusive, in their entirety
- In line 1004, strike "statutes; (5)"
- In line 1006, strike "(6)" and insert in lieu thereof "(5)"
- In line 1013, strike "Subject to the provisions of chapter 67 of the
- 36 general statutes"
- In line 1014, strike "and within" and insert in lieu thereof "Within"
- In line 1017, strike "department" and insert in lieu thereof
- 39 "authority"

Strike sections 21, 24, 25, 27, 30, 31, 32, 33, 34 and 36 in their entirety and renumber remaining sections and internal references accordingly

After the last section, add the following and renumber sections and internal references accordingly:

"Sec. 501. (NEW) (*Effective July 1, 2009*) (a) The Department of Public Utility Control shall appoint and convene an Energy Conservation Management Board, which shall be within the department for administrative purposes only and shall include: (1) A representative of an environmental group knowledgeable in energy conservation programs; (2) the Consumer Counsel or the Consumer Counsel's designee; (3) the Attorney General or the Attorney General's designee; the Commissioner of Environmental Protection or the commissioner's designee; (5) the Commissioner of Social Services or the commissioner's designee; (6) a representative of a state-wide manufacturing association; (7) a representative of a chamber of commerce; (8) a representative of a state-wide business association; (9) a representative of a state-wide retail organization; (10) a representative of a municipal electric energy cooperative created pursuant to chapter 101a of the general statutes; (11) two representatives, one each selected by the electric distribution companies in this state; (12) two representatives selected by the gas companies, as defined in section 16-1 of the general statutes, in this state; (13) a representative of residential customers; (14) a fuel oil dealer selected by the Independent Connecticut Petroleum Association; (15) a Connecticut propane dealer selected by the Propane Gas Association of New England; and (16) a representative of the Renewable Energy Investment Fund selected by such fund. The members of the Energy Conservation Management Board on June 30, 2009, shall continue to serve on the board established pursuant to this section until the expiration of their current term. Members shall serve for a period of five years and may be reappointed. Representatives of the gas companies, electric distribution companies, municipal electric energy cooperative, fuel oil dealers, propane dealers and the Renewable Energy Investment Fund shall not vote on matters

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- 74 unrelated to their industry.
- 75 (b) The Energy Conservation Management Board shall:
- 76 (1) Advise the municipal electric energy cooperatives regarding 77 programs developed pursuant to section 503 of this act and section 7-
- 78 233y of the general statutes, as amended by this act;
- 79 (2) Advise the natural gas utilities regarding programs developed 80 pursuant to section 503 of this act and section 16-32f of the general 81 statutes, as amended by this act;
- (3) Advise the electric distribution companies regarding programs developed pursuant to section 503 of this act and section 16-245m of the general statutes, as amended by this act;
  - (4) Collaborate with the Department of Social Services regarding coordination of energy and weatherization assistance administered or funded by said department with conservation assistance available under the plan developed pursuant to section 503 of this act and sections 7-233y, 16-32f and 16-245m of the general statutes, as amended by this act;
  - (5) Collaborate, in accordance with the provisions of subsection (d) of this section, with the Renewable Energy Investment Fund to examine opportunities to coordinate with the programs and activities funded by said fund pursuant to section 16-245n of the general statutes, as amended by this act, and with programs and activities developed pursuant to section 503 of this act and sections 7-233y, 16-32f and 16-245m of the general statutes, as amended by this act;
- 98 (6) Oversee the administrator retained pursuant to subsection (c) of 99 this section and the development and implementation of conservation 100 assistance regarding deliverable fuels pursuant to section 503 of this 101 act;
- 102 (7) Facilitate, to the extent practicable, the coordination and 103 integration of energy, conservation and renewable resources programs

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to simplify consumer access to integrated services of all available resources, minimize expenses in the administration of each program and reduce environmental impacts and security risks of energy in this state;

- 108 (8) Conduct an annual public hearing regarding conservation plans 109 and the implementation of such plans. All public comments shall be 110 summarized for the purposes of consideration in the board's 111 deliberations on future conservation plans;
- 112 (9) Retain and direct expert consultants regarding the board's duties 113 pursuant to section 503 of this act and sections 16-32f and 16-245m of 114 the general statutes, as amended by this act;
- 115 (10) Evaluate programs contained in the comprehensive 116 conservation plan and pursuant to sections 16-32f and 16-245m of the 117 general statutes, as amended by this act; and
  - (11) Consolidate annual reports to the joint standing committees of the General Assembly having cognizance of matters relating to energy, the environment and commerce, documenting conservation and renewable resources program operations, pursuant to section 504 of this act and sections 7-233y, 16-32f, 16-245m and 16-245n of the general statutes, as amended by this act.
  - (c) On or before January 1, 2010, to the extent funding is available, after issuing a request for proposals, the Energy Conservation Management Board shall select an administrator qualified to develop a conservation plan for deliverable fuel and to administer and implement conservation and energy efficiency programs for deliverable fuel customers. The board may enter into a contract with the administrator for a period not to exceed three years. The costs for such administrator shall be paid from the fuel oil conservation account established pursuant to section 502 of this act or any other funds as may become available for this purpose.
- 134 (d) There shall be a joint committee of the Energy Conservation

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Management Board and the Renewable Energy Investments Board. Each board shall appoint members to such joint committee. The joint committee shall examine opportunities to coordinate the programs and activities funded by the Renewable Energy Investment Fund pursuant to section 16-245n of the general statutes, as amended by this act, with the programs and activities contained in the comprehensive conservation plan to reduce the long-term cost, environmental impacts and security risks of energy in the state.

- (e) As used in this section, sections 502 and 503 of this act and section 16a-41a of the general statutes, as amended by this act, "deliverable fuel" includes fuel oil, propane, wood, coal and kerosene used for space heating or to heat hot water, and as used in this section "fuel oil" means the product designated by the American Society for Testing and Materials as "Specifications for Heating Oil D396-69", commonly known as number 2 heating oil, and grade number 4, grade number 5 and grade number 6 fuel oil, provided such heating and fuel oils are used for purposes other than generating power to propel motor vehicles or for generating electricity.
- Sec. 502. (NEW) (Effective July 1, 2009) (a) There is established within the Energy Conservation Fund established pursuant to subsection (b) of section 16-245m of the general statutes, as amended by this act, a natural gas subaccount. The Energy Conservation and Management Board may receive any amount required by law to be deposited into the subaccount and may receive any federal or other funds as may become available for conservation and load management and renewable resources. Any balance remaining in such subaccount at the end of any fiscal year shall be carried forward in the fiscal year next succeeding. Disbursement from such subaccount shall be as authorized pursuant to the comprehensive conservation plan approved by the Department of Public Utility Control.
- (b) There is established a fuel oil conservation account, which shall be a separate, nonlapsing account within the restricted grant fund and shall be funded by annual revenue from the tax imposed by section 12-

587 of the general statutes on the sale of petroleum products gross earnings that is in excess of said revenue collected during fiscal year 2006, provided the amount of such revenue that shall be allocated to said account in the fiscal year commencing July 1, 2009, shall not exceed five million dollars. Such amount shall be used for deliverable fuel programs contained in the comprehensive conservation plan for deliverable fuel allocations of joint programs and such administrative expenses as provided in such plan.

(c) Each fiscal year, an amount equal to the annual revenue from the tax imposed by section 12-264 of the general statutes on the gross receipts of sales of all public services companies that is in excess of the revenue estimate for said tax that is approved by the General Assembly in the appropriations act for that fiscal year shall be deposited by the Comptroller in the natural gas subaccount, provided the amount of such excess revenue shall not exceed ten million dollars. Such amount shall be used for natural gas programs contained in the comprehensive conservation plan, natural gas allocations of joint programs and such administrative expenses as provided in such plan.

Sec. 503. (NEW) (Effective July 1, 2009) (a) On October 1, 2009, and annually thereafter, (1) the deliverable fuels administrator regarding deliverable fuels; (2) the natural gas companies regarding natural gas; and (3) the electric distribution companies regarding electricity shall submit their recommendations for energy conservation to the Department of Public Utility Control, which shall include plans to integrate and coordinate conservation and renewable energy resources pursuant to subsection (b) of this section. Upon receipt of the recommendations, the department, in an uncontested proceeding, shall hold a public hearing and, after such hearing, approve, modify or reject the recommendations and consolidate the approved or modified recommendations into a comprehensive conservation plan.

(b) Not less than sixty days before the submission of such recommendations, the deliverable fuels administrator, the gas companies and the electric distribution companies shall submit the

recommendations to the Energy Conservation Management Board for review and comment. In its review of these recommendations, the board shall examine opportunities to offer integrated efficiency and renewable programs that save more than one fuel resource, or otherwise coordinate programs targeted at saving more than one fuel resource to ensure available conservation and renewable resources are integrated, to the extent practicable, to simplify consumer access to integrated services of all available resources, to minimize expenses in the administration of each program and to reduce environmental impacts and security risks of energy in the state. The board shall consult with the Connecticut Electric Authority regarding electricity programs to ensure that such programs are consistent with the goals of the integrated resource plan approved pursuant to section 16a-3a of the general statutes. Each program contained in the plan shall be reviewed by the electric distribution company and either accepted or rejected by the Energy Conservation Management Board prior to submission to the department for approval.

(c) The comprehensive conservation plan approved by the department shall contain specific goals for reducing energy use in this state that are consistent with the integrated resource plan approved pursuant to section 16a-3a of the general statutes and shall contain a description of each program that is proposed to meet such goals, the amount of funds in the Energy Conservation and Load Management Fund established pursuant to subsection (b) of section 16-245m of the general statutes, as amended by this act, and, if applicable, other sources to be used for each program and an estimate of the systemic savings that will be achieved if such goals are met. Programs included in the plan shall be reviewed using cost-effectiveness testing that compares the value and payback period of program benefits to program costs to ensure that the programs contained in the comprehensive conservation plan will reduce customer bills for energy and obtain energy savings and system benefits, including mitigation of federally mandated congestion charges. The value of the program benefits shall be greater than the costs of the program. Any costs for

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joint programs shall be allocated equitably among the conservation programs. The plan shall give preference to electric efficiency and load management projects funded pursuant to section 16-245m of the general statutes, as amended by this act, that maximize the reduction of federally mandated congestion charges. The plan shall also provide for reimbursement for services provided by the deliverable fuels administrator and disbursements from the Energy Conservation and Load Management Fund established pursuant to section 16-245m of the general statutes, as amended by this act, to develop and carry out the comprehensive conservation plan, including the retention of expert consultants and the board's reasonable administrative costs. No consultant shall be employed by, or have any contractual relationship with, an electric distribution company, gas company or deliverable fuel company or the administrator. Such board consultants and the board's administrative costs shall not exceed five per cent of the total cost of the plan. Program cost-effectiveness shall be reviewed annually, or otherwise as is practicable. If a program is determined to fail the cost-effectiveness test as part of the review process, it shall be modified to meet the test or terminated.

(d) Programs included in the comprehensive conservation plan may include, but not be limited to: (1) Conservation programs, including programs that benefit low-income persons; (2) commercialization of products or processes that are more energy-efficient than those generally available; (3) development of markets for such products and processes; (4) support for energy use assessment, real-time monitoring systems, engineering studies and services related to new construction or major building renovations; (5) program planning and evaluation; (6) joint fuel conservation initiatives and programs targeted at saving more than one fuel resource; (7) promotion of practices to optimize efficiency; (8) assistance in meeting state climate change and environmental and public health goals; (9) promotion of sustainable economic development and employment; (10) public education regarding conservation; and (11) demand-side technology programs recommended by the procurement plan approved by the Department

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of Public Utility Control pursuant to section 16a-3a of the general statutes. Support may be by direct funding, manufacturers' rebates, sale price and loan subsidies, leases and promotional and educational activities.

Sec. 504. (NEW) (Effective July 1, 2009) On or before March 1, 2010, and annually thereafter, the Energy Conservation and Management Board shall provide a consolidated report documenting conservation and renewable resource program operation and activities developed pursuant to section 503 of this act and sections 7-233y, 16-32f, 16-245m and 16-245n of the general statutes, as amended by this act, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to energy, the environment and commerce. The report shall document: (1) Expenditures and funding for such programs; (2) program integration, including the extent to and manner in which such board collaborated and cooperated with municipal electric energy cooperative programs established pursuant to section 7-233y of the general statutes, as amended by this act, the Department of Social Services programs, and the joint or collaborative activities with the Renewable Energy Investment Fund established pursuant to section 16-245n of the general statutes, as amended by this act; (3) evaluation of the cost-effectiveness of conservation programs and activities conducted in the preceding year, including any increased including reduced administrative cost-effectiveness, expenses, achieved by offering programs that save more than one fuel resource and integrating programs; (4) the extent to which plan goals and systemic savings were achieved for reducing energy use in the state; and (5) in detail, the activities of the Renewable Energy Investment Fund. Any costs for the consolidated annual reports shall be allocated equitably among the entities with responsibility for such reports.

Sec. 505. Section 7-233y of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

(a) Each municipal electric utility created pursuant to chapter 101 or

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302 by special act shall, for investment in renewable energy sources and 303 for conservation and load management programs pursuant to this 304 section, accrue from each kilowatt hour of its metered firm electric 305 retail sales, exclusive of such sales to United States government naval 306 facilities in this state, no less than the following amounts during the 307 following periods, in a manner conforming to the requirement of this 308 section: (1) 1.0 mills on and after January 1, 2006; (2) 1.3 mills on and 309 after January 1, 2007; (3) 1.6 mills on and after January 1, 2008; (4) 1.9 310 mills on and after January 1, 2009; (5) 2.2 mills on and after January 1, 2010; and (6) 2.5 mills on and after January 1, 2011.

- (b) There is hereby created a municipal energy conservation and load management fund in each municipal electric energy cooperative created pursuant to this chapter, which fund shall be a separate and dedicated fund to be held and administered by such cooperative. The fund may receive an amount required by law to be deposited into the fund and may receive any federal or other funds as may become available for conservation and load management and renewable resources. Each municipal electric utility created pursuant to chapter 101 or by special act that is a member or participant in such a municipal electric energy cooperative shall accrue and deposit such amounts as specified in subsection (a) of this section into such fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fiscal year next succeeding. Disbursements from the fund shall be made pursuant to the comprehensive electric conservation and load management plan prepared by the cooperative in accordance with subsection (c) of this section.
- (c) Such cooperative shall, annually, adopt a comprehensive plan for the expenditure of such funds by the cooperative on behalf of such municipal electric utilities for the purpose of carrying out electric conservation, investments in renewable energy sources, energy efficiency and electric load management programs funded by the charge accrued pursuant to subsection (a) of this section. The cooperative shall expend or cause to be expended the amounts held in such fund in conformity with the adopted plan. The plan may direct

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the expenditure of funds on facilities or measures located in any one or more of the service areas of the municipal electric utilities who are members or participants in such cooperative and may provide for the establishment of goals and standards for measuring the cost effectiveness of expenditures made from such fund, for the minimization of federally mandated congestion charges and for achieving appropriate geographic coverage and scope in each such service area. Such plan shall be consistent with the comprehensive plan of the Energy Conservation Management Board established under section [16-245m] 503 of this act. Such cooperative, annually, shall submit its plan to such board for review and provide documentation and information for the consolidated report prepared by the Energy and Conservation Management Board pursuant to section 504 of this act.

- Sec. 506. Section 16-32f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
- 352 (a) On or before October first of each even-numbered year, a gas 353 company, as defined in section 16-1, shall furnish a report to the 354 Department of Public Utility Control containing a five-year forecast of 355 loads and resources. The report shall describe the facilities and supply 356 sources that, in the judgment of such gas company, will be required to 357 meet gas demands during the forecast period. The report shall be 358 made available to the public and shall be furnished to the Energy 359 Conservation Management Board, the chief executive officer of each 360 municipality in the service area of such gas company, the regional 361 planning agency which encompasses each such municipality, the 362 Attorney General, the president pro tempore of the Senate, the speaker 363 of the House of Representatives, the joint standing [committee] 364 <u>committees</u> of the General Assembly having cognizance of matters 365 relating to [public utilities] energy, the environment and commerce, 366 any other member of the General Assembly making a request to the 367 department for the report and such other state and municipal entities 368 as the department may designate by regulation. The report shall 369 include: (1) A tabulation of estimated peak loads and resources for

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each year; (2) data on gas use and peak loads for the five preceding calendar years; (3) a list of present and projected gas supply sources; (4) specific measures to control load growth and promote conservation; and (5) such other information as the department may require by regulation. A full description of the methodology used to arrive at the forecast of loads and resources shall also be furnished to the department. The department shall hold a public hearing on such reports upon the request of any person. On or before August first of each odd-numbered year, the department may request a gas company to furnish to the department an updated report. A gas company shall furnish any such updated report not later than sixty days following the request of the department.

(b) [Not later than October 1, 2005, and annually thereafter] On or before October first of each year, a gas company, as defined in section 16-1, shall submit to the Energy Conservation Management Board and the Department of Public Utility Control a gas conservation plan, in accordance with the provisions of [this] section [, to implement costeffective energy conservation programs and market transformation initiatives. All supply and conservation and load management options shall be evaluated and selected within an integrated supply and demand planning framework. Such plan shall be funded during each state fiscal year by the revenue from the tax imposed by section 12-264 on the gross receipts of sales of all public services companies that is in excess of the revenue estimate for said tax that is approved by the General Assembly in the appropriations act for such fiscal year, provided the amount of such excess revenue that shall be allocated to fund such plan in any state fiscal year shall not exceed ten million dollars. Before the accounts for the General Fund have been closed for each fiscal year, such excess revenue shall be deposited by the Comptroller in an account held by the Energy Conservation Management Board, established pursuant to section 16-245m. Services provided under the plan shall be available to all gas company customers. Each gas company shall apply to the Energy Conservation Management Board for reimbursement for expenditures pursuant to

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the plan. The department shall, in an uncontested proceeding during which the department may hold a public hearing, approve, modify or reject the plan 503 of this act.

- (c) (1) The Energy Conservation Management Board shall advise and assist each such gas company in the development and implementation of the plan submitted under subsection (b) of this section. Each program contained in the plan shall be reviewed by each such gas company and shall be either accepted, modified or rejected by the Energy Conservation Management Board before submission of the plan to the department for approval. The Energy Conservation Management Board shall, as part of its review, examine opportunities to offer joint programs providing similar efficiency measures that save more than one fuel resource or to otherwise coordinate programs targeted at saving more than one fuel resource. Any costs for joint programs shall be allocated equitably among the conservation programs.
- 420 (2) Programs included in the plan shall be screened through costeffectiveness testing that compares the value and payback period of program benefits to program costs to ensure that the programs are designed to obtain gas savings whose value is greater than the costs of the program. Program cost-effectiveness shall be reviewed annually by the department, or otherwise as is practicable. If the department determines that a program fails the cost-effectiveness test as part of the review process, the program shall either be modified to meet the test or be terminated. On or before January 1, 2007, and annually thereafter, the board shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment, that documents expenditures and funding for such programs and evaluates the cost-effectiveness of such programs conducted in the preceding year, including any increased costeffectiveness owing to offering programs that save more than one fuel resource.

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(3) Programs included in the plan may include, but are not limited to: (A) Conservation and load management programs, including programs that benefit low-income individuals; (B) research, development and commercialization of products or processes that are more energy-efficient than those generally available; (C) development of markets for such products and processes; (D) support for energy use assessment, engineering studies and services related to new construction or major building renovations; (E) the design, manufacture, commercialization and purchase of energy-efficient appliances, air conditioning and heating devices; (F) program planning and evaluation; (G) joint fuel conservation initiatives and programs targeted at saving more than one fuel resource; and (H) public education regarding conservation. Such support may be by direct funding, manufacturers' rebates, sale price and loan subsidies, leases and promotional and educational activities. The plan shall also provide for expenditures by the Energy Conservation Management Board for the retention of expert consultants and reasonable administrative costs, provided such consultants shall not be employed by, or have any contractual relationship with, a gas company. Such costs shall not exceed five per cent of the total cost of the plan.]

- (c) Annually, each gas company shall provide documentation and information for the consolidated report prepared by the Energy Conservation Management Board pursuant to section 504 of this act.
- Sec. 507. Section 16-245m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
  - (a) [(1)] On and after January 1, 2000, the Department of Public Utility Control shall assess or cause to be assessed a charge of three mills per kilowatt hour of electricity sold to each end use customer of an electric distribution company to be used to implement the program as provided in this section for conservation and load management programs but not for the amortization of costs incurred prior to July 1, 1997 for such conservation and load management programs.
- 1997, for such conservation and load management programs.

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[(2) Notwithstanding the provisions of this section, receipts from such charge shall be disbursed to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005, unless the department shall, on or before October 30, 2003, issue a financing order for each affected electric distribution company in accordance with sections 16-245e to 16-245k, inclusive, to sustain funding of conservation and load management programs by substituting an equivalent amount, as determined by the department in such financing order, of proceeds of rate reduction bonds for disbursement to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005. The department may authorize in such financing order the issuance of rate reduction bonds that substitute for disbursement to the General Fund for receipts of both the charge under this subsection and under subsection (b) of section 16-245n and also may, in its discretion, authorize the issuance of rate reduction bonds under this subsection and subsection (b) of section 16-245n that relate to more than one electric distribution company. The department shall, in such financing order or other appropriate order, offset any increase in the competitive transition assessment necessary to pay principal, premium, if any, interest and expenses of the issuance of such rate reduction bonds by making an equivalent reduction to the charge imposed under this subsection, provided any failure to offset all or any portion of such increase in the competitive transition assessment shall not affect the need to implement the full amount of such increase as required by this subsection and by sections 16-245e to 16-245k, inclusive. Such financing order shall also provide if the rate reduction bonds are not issued, any unrecovered funds expended and committed by the electric distribution companies for conservation and load management programs, provided such expenditures were approved by the department after August 20, 2003, and prior to the date of determination that the rate reduction bonds cannot be issued, shall be recovered by the companies from their respective competitive transition assessment or systems benefits charge but such expenditures shall not exceed four million dollars per month. All receipts from the remaining charge imposed under this subsection, after reduction of

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such charge to offset the increase in the competitive transition assessment as provided in this subsection, shall be disbursed to the Energy Conservation and Load Management Fund commencing as of July 1, 2003. Any increase in the competitive transition assessment or decrease in the conservation and load management component of an electric distribution company's rates resulting from the issuance of or obligations under rate reduction bonds shall be included as rate adjustments on customer bills.]

- (b) The electric distribution company shall establish an Energy Conservation and Load Management Fund which shall be held separate and apart from all other funds or accounts. The fund may receive any amount required by law to be deposited into the fund and may receive any federal or other funds as may become available for conservation and load management and renewable resources. Receipts from the charge imposed under subsection (a) of this section shall be deposited into the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fiscal year next succeeding. Disbursements from the fund or its subaccount by electric distribution companies to carry out the plan developed under [subsection (d) of this] section 503 of this act shall be authorized by the Department of Public Utility Control upon its approval of such plan.
- [(c) The Department of Public Utility Control shall appoint and convene an Energy Conservation Management Board which shall include representatives of: (1) An environmental group knowledgeable in energy conservation program collaboratives; (2) the Office of Consumer Counsel; (3) the Attorney General; (4) the Department of Environmental Protection; (5) the electric distribution companies in whose territories the activities take place for such programs; (6) a statewide manufacturing association; (7) a chamber of commerce; (8) a state-wide business association; (9) a state-wide retail organization; (10) a representative of a municipal electric energy cooperative created pursuant to chapter 101a; (11) two representatives selected by the gas companies in this state; and (12) residential customers. Such members shall serve for a period of five years and may be reappointed.

Representatives of the gas companies shall not vote on matters unrelated to gas conservation. Representatives of the electric distribution companies and the municipal electric energy cooperative shall not vote on matters unrelated to electricity conservation.]

- (c) On or before October first of each year, an electric distribution company shall submit to the Energy Conservation Management Board and the Department of Public Utility Control a conservation plan in accordance with the provisions of section 503 of this act.
- (d) (1) The Energy Conservation Management Board shall advise and assist the electric distribution companies in the development and implementation of a comprehensive plan, which plan shall be approved by the Department of Public Utility Control, to implement cost-effective energy conservation programs and market transformation initiatives. Each program contained in the plan shall be reviewed by the electric distribution company and either accepted or rejected by the Energy Conservation Management Board prior to submission to the department for approval. The Energy Conservation Management Board shall, as part of its review, examine opportunities to offer joint programs providing similar efficiency measures that save more than one fuel resource or otherwise to coordinate programs targeted at saving more than one fuel resource. Any costs for joint programs shall be allocated equitably among the conservation programs. The Energy Conservation Management Board shall give preference to projects that maximize the reduction of federally mandated congestion charges. The Department of Public Utility Control shall, in an uncontested proceeding during which the department may hold a public hearing, approve, modify or reject the comprehensive plan prepared pursuant to this subsection.
- (2) There shall be a joint committee of the Energy Conservation Management Board and the Renewable Energy Investments Board. The board and the advisory committee shall each appoint members to such joint committee. The joint committee shall examine opportunities to coordinate the programs and activities funded by the Renewable

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Energy Investment Fund pursuant to section 16-245n with the programs and activities contained in the plan developed under this subsection to reduce the long-term cost, environmental impacts and security risks of energy in the state. Such joint committee shall hold its first meeting on or before August 1, 2005.

(3) Programs included in the plan developed under subdivision (1) of this subsection shall be screened through cost-effectiveness testing which compares the value and payback period of program benefits to program costs to ensure that programs are designed to obtain energy savings and system benefits, including mitigation of federally mandated congestion charges, whose value is greater than the costs of the programs. Cost-effectiveness testing shall utilize available information obtained from real-time monitoring systems to ensure accurate validation and verification of energy use. Such testing shall include an analysis of the effects of investments on increasing the state's load factor. Program cost-effectiveness shall be reviewed annually, or otherwise as is practicable. If a program is determined to fail the cost-effectiveness test as part of the review process, it shall either be modified to meet the test or shall be terminated. On or before March 1, 2005, and on or before March first annually thereafter, the board shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment (A) that documents expenditures and fund balances and evaluates the cost-effectiveness of such programs conducted in the preceding year, and (B) that documents the extent to and manner in which the programs of such board collaborated and cooperated with programs, established under section 7-233y, of municipal electric energy cooperatives. To maximize the reduction of federally mandated congestion charges, programs in the plan may allow disproportionate allocations between the amount of contributions to the Energy Conservation and Load Management Funds by a certain rate class and the programs that benefit such a rate class. Before conducting such evaluation, the board shall consult with the

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Renewable Energy Investments Board. The report shall include a description of the activities undertaken during the reporting period jointly or in collaboration with the Renewable Energy Investment Fund established pursuant to subsection (c) of section 16-245n.

(4) Programs included in the plan developed under subdivision (1) of this subsection may include, but not be limited to: (A) Conservation and load management programs, including programs that benefit lowincome individuals; (B) research, development and commercialization of products or processes which are more energy-efficient than those generally available; (C) development of markets for such products and processes; (D) support for energy use assessment, real-time monitoring systems, engineering studies and services related to new construction major building renovation; (E) the design, manufacture, commercialization and purchase of energy-efficient appliances and heating, air conditioning and lighting devices; (F) program planning and evaluation; (G) indoor air quality programs relating to energy conservation; (H) joint fuel conservation initiatives programs targeted at reducing consumption of more than one fuel resource; (I) public education regarding conservation; and (I) the demand-side technology programs recommended by the procurement plan approved by the Department of Public Utility Control pursuant to section 16a-3a. Such support may be by direct funding, manufacturers' rebates, sale price and loan subsidies, leases and promotional and educational activities. The plan shall also provide for expenditures by the Energy Conservation Management Board for the retention of expert consultants and reasonable administrative costs provided such consultants shall not be employed by, or have any contractual relationship with, an electric distribution company. Such costs shall not exceed five per cent of the total revenue collected from the assessment.]

(d) Each electric distribution company annually shall provide documentation and information for the consolidated report prepared by the Energy Conservation Management Board pursuant to section 504 of this act.

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639 (e) Notwithstanding the provisions of subsections (a) to (d), 640 inclusive, of this section, the Department of Public Utility Control shall 641 authorize the disbursement of a total of one million dollars in each 642 month, commencing with July, 2003, and ending with July, 2005, from 643 the Energy Conservation and Load Management Funds established 644 pursuant to said subsections. The amount disbursed from each Energy 645 Conservation and Load Management Fund shall be proportionately 646 based on the receipts received by each fund. Such disbursements shall 647 be deposited in the General Fund.

- (f) No later than December 31, 2006, and no later than December thirty-first every five years thereafter, the Energy Conservation Management Board shall, after consulting with the Renewable Energy Investments Board, conduct an evaluation of the performance of the programs and activities of the fund and submit a report, in accordance with the provisions of section 11-4a, of the evaluation to the joint standing committee of the General Assembly having cognizance of matters relating to energy.
- 656 (g) Repealed by P.A. 06-186, S. 91, effective July 1, 2006.
- Sec. 508. Section 16-245n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
- 659 (a) For purposes of this section, "renewable energy" means solar 660 photovoltaic energy, solar thermal, geothermal energy, wind, ocean 661 thermal energy, wave or tidal energy, fuel cells, landfill gas, 662 hydropower that meets the low-impact standards of the Low-Impact 663 Hydropower Institute, hydrogen production and hydrogen conversion 664 technologies, low emission advanced biomass conversion technologies, 665 alternative fuels, used for electricity generation including ethanol, 666 biodiesel or other fuel produced in Connecticut and derived from 667 agricultural produce, food waste or waste vegetable oil, provided the 668 Commissioner of Environmental Protection determines that such fuels 669 provide net reductions in greenhouse gas emissions and fossil fuel 670 consumption, usable electricity from combined heat and power

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systems with waste heat recovery systems, thermal storage systems and other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, municipal solid waste or nuclear fission.

(b) On and after July 1, 2004, the Department of Public Utility Control shall assess or cause to be assessed a charge of not less than one mill per kilowatt hour charged to each end use customer of electric services in this state which shall be deposited into the Renewable Energy Investment Fund established under subsection (c) of this section. Notwithstanding the provisions of this section, receipts from such charges shall be disbursed to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005, unless the department shall, on or before October 30, 2003, issue a financing order for each affected distribution company in accordance with sections 16-245e to 16-245k, inclusive, to sustain funding of renewable energy investment programs by substituting an equivalent amount, as determined by the department in such financing order, of proceeds of rate reduction bonds for disbursement to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005. The department may authorize in such financing order the issuance of rate reduction bonds that substitute for disbursement to the General Fund for receipts of both charges under this subsection and subsection (a) of section 16-245m, as amended by this act, and also may in its discretion authorize the issuance of rate reduction bonds under this subsection and subsection (a) of section 16-245m, as amended by this act, that relate to more than one electric distribution company. The department shall, in such financing order or other appropriate order, offset any increase in the competitive transition assessment necessary to pay principal, premium, if any, interest and expenses of the issuance of such rate reduction bonds by making an equivalent reduction to the charges imposed under this subsection, provided any failure to offset all or any portion of such increase in the competitive transition assessment shall not affect the need to implement the full amount of

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such increase as required by this subsection and sections 16-245e to 16-245k, inclusive. Such financing order shall also provide if the rate reduction bonds are not issued, any unrecovered funds expended and committed by the electric distribution companies for renewable resource investment through deposits into the Renewable Energy Investment Fund, provided such expenditures were approved by the department following August 20, 2003, and prior to the date of determination that the rate reduction bonds cannot be issued, shall be recovered by the companies from their respective competitive transition assessment or systems benefits charge except that such expenditures shall not exceed one million dollars per month. All receipts from the remaining charges imposed under this subsection, after reduction of such charges to offset the increase in the competitive transition assessment as provided in this subsection, shall be disbursed to the Renewable Energy Investment Fund commencing as of July 1, 2003. Any increase in the competitive transition assessment or decrease in the renewable energy investment component of an electric distribution company's rates resulting from the issuance of or obligations under rate reduction bonds shall be included as rate adjustments on customer bills.

(c) There is hereby created a Renewable Energy Investment Fund which shall be within Connecticut Innovations, Incorporated for administrative purposes only. The fund may receive any amount required by law to be deposited into the fund and may receive any federal or other funds as may become available to the state for renewable energy investments. Upon authorization of the Renewable Energy Investments Board established pursuant to subsection (d) of this section, Connecticut Innovations, Incorporated, may use any amount in said fund for expenditures that promote investment in renewable energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of renewable energy sources, related enterprises and stimulate demand for renewable energy and deployment of renewable energy sources that serve end use customers in this state

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and for the further purpose of supporting operational demonstration projects for advanced technologies that reduce energy use from traditional sources and ensure available conservation and renewable resources programs are integrated, to the extent practicable, to simplify consumer access to integrated services of all available resources, minimize expenses in the administration of each program and reduce environmental impacts and security risks of energy in the state. Such expenditures may include, but not be limited to, reimbursement for services provided by the administrator of the fund including a management fee, disbursements from the fund to develop and carry out the plan developed pursuant to subsection (d) of this section, grants, direct or equity investments, contracts or other actions which support research, development, manufacture, commercialization, deployment and installation of renewable energy technologies, and actions which expand the expertise of individuals, businesses and lending institutions with regard to renewable energy technologies.

(d) There is hereby created a Renewable Energy Investments Board to act on matters related to the Renewable Energy Investment Fund, including, but not limited to, development of a comprehensive plan and expenditure of funds. The Renewable Energy Investments Board shall, in such plan, give preference to projects that maximize the reduction of federally mandated congestion charges. The Renewable Energy Investments Board shall make a draft of the comprehensive plan available for public comment for not less than thirty days. The board shall conduct three public hearings in three different regions of the state on the draft comprehensive plan and shall include a summarization of all public comments received at said public hearings in the final comprehensive plan approved by the board. The board shall provide a copy of the comprehensive plan, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy, the environment and commerce and to the Energy Conservation Management Board. The Department of Public Utility Control shall, in an uncontested proceeding, during which the department may hold a

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public hearing, approve, modify or reject the comprehensive plan prepared pursuant to this subsection.

(e) The Renewable Energy Investments Board shall include not more than [fifteen] sixteen individuals with knowledge and experience in matters related to the purpose and activities of the Renewable Energy Investment Fund. The board shall consist of the following members: (1) One person with expertise regarding renewable energy resources appointed by the speaker of the House of Representatives; (2) one person representing a state or regional organization primarily concerned with environmental protection appointed by the president pro tempore of the Senate; (3) one person with experience in business or commercial investments appointed by the majority leader of the House of Representatives; (4) one person representing a state or regional organization primarily concerned with environmental protection appointed by the majority leader of the Senate; (5) one person with experience in business or commercial investments appointed by the minority leader of the House of Representatives; (6) the Commissioner of Emergency Management and Homeland Security or the commissioner's designee; (7) one person with expertise regarding renewable energy resources appointed by the Governor; (8) two persons with experience in business or commercial investments appointed by the board of directors of Connecticut Innovations, Incorporated; (9) a representative of a state-wide business association, manufacturing association or chamber of commerce appointed by the minority leader of the Senate; (10) the Consumer Counsel; (11) the Secretary of the Office of Policy and Management or the secretary's designee; (12) the Commissioner of Environmental Protection or the commissioner's designee; (13) a representative of organized labor appointed by the Governor; [and] (14) a representative of residential customers or low-income customers appointed by the Governor; and (15) a representative of the Energy Conservation Management Board selected by such board. On a biennial basis, the board shall elect a chairperson and vice-chairperson from among its members and shall adopt such bylaws and procedures it deems necessary to carry out its

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functions. The board may establish committees and subcommittees as necessary to conduct its business.

- 809 (f) The board annually shall [issue annually a report to the 810 Department of Public Utility Control reviewing the activities of the 811 Renewable Energy Investment Fund in detail and shall provide a copy 812 of such report, in accordance with the provisions of section 11-4a, to 813 the joint standing committees of the General Assembly having 814 cognizance of matters relating to energy and commerce and the Office 815 of Consumer Counsel. The report shall include a description of the 816 programs and activities undertaken during the reporting period jointly 817 or in collaboration with the Energy Conservation and Load 818 Management Funds established pursuant to section 16-245m] provide 819 documentation and information for the consolidated report prepared 820 by the Energy Conservation Management Board pursuant to section 821 504 of this act.
- (g) There shall be a joint committee of the Energy Conservation Management Board and the Renewable Energy Investments Board, as provided in [subdivision (2) of] subsection (d) of section [16-245m] <u>501</u> of this act.
  - (h) No later than December 31, 2006, and no later than December thirty-first every five years thereafter, the board shall, after consulting with the Energy Conservation Management Board, conduct an evaluation of the performance of the programs and activities of the fund and submit a report, in accordance with the provisions of section 11-4a, of the evaluation to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce.
- Sec. 509. Section 16a-41a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
- 836 (a) The Commissioner of Social Services shall submit to the joint 837 standing committees of the General Assembly having cognizance of 838 energy planning and activities, appropriations, and human services the

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839 following on the implementation of the block grant program

- 840 authorized under the Low-Income Home Energy Assistance Act of
- 841 1981, as amended:
- 842 (1) Not later than August first, annually, a Connecticut energy
- 843 assistance program annual plan which establishes guidelines for the
- 844 use of funds authorized under the Low-Income Home Energy
- Assistance Act of 1981, as amended, and includes the following:
- 846 (A) Criteria for determining which households are to receive
- 847 emergency and weatherization assistance;
- 848 (B) A description of systems used to ensure referrals to other energy
- 849 assistance programs and the taking of simultaneous applications, as
- 850 required under section 16a-41;
- 851 (C) A description of outreach efforts;
- 852 (D) Estimates of the total number of households eligible for
- assistance under the program and the number of households in which
- 854 one or more elderly or physically disabled individuals eligible for
- 855 assistance reside; [and]
- 856 (E) Design of a basic grant for eligible households that does not
- discriminate against such households based on the type of energy used
- 858 for heating; and
- 859 (F) The Department of Social Services' system for (i) identifying
- 860 households to whom it provides cash, medical or food assistance who
- 861 may be eligible for conservation assistance through programs
- 862 <u>developed pursuant to the comprehensive conservation plan approved</u>
- in accordance with section 503 of this act and sections 7-233y, 16-32f
- and 16-245m, as amended by this act, (ii) obtaining permission from
- such households to transmit information regarding the households to
- 866 such conservation programs for purposes of facilitating provision of
- 867 any available conservation resource, and (iii) systematically
- 868 transmitting household information to such conservation programs

when permission has been obtained. Such system shall be part of the

- 870 <u>department's application and periodic redetermination eligibility</u>
- 871 procedures and shall be developed in consultation with the Energy
- 872 <u>Conservation Management Board.</u>
- 873 (2) Not later than January thirtieth, annually, a report covering the preceding months of the program year, including:
- (A) In each community action agency geographic area and Department of Social Services region, the number of fuel assistance applications filed, approved and denied, the number of emergency assistance requests made, approved and denied and the number of
- 879 households provided weatherization assistance;
- (B) In each such area and district, the total amount of fuel, emergency and weatherization assistance, itemized by such type of assistance, and total expenditures to date; and
- (C) For each state-wide office of each state agency administering the program, each community action agency and each Department of Social Services region, administrative expenses under the program, by line item, and an estimate of outreach expenditures; and
- 887 (3) Not later than November first, annually, a report covering the preceding twelve calendar months, including:
- (A) In each community action agency geographic area and Department of Social Services region, (i) seasonal totals for the categories of data submitted under subdivision (1) of this subsection, (ii) the number of households receiving fuel assistance in which elderly or physically disabled individuals reside, and (iii) the average combined benefit level of fuel, emergency and renter assistance;
- 895 (B) Types of weatherization assistance provided;
- 896 (C) Percentage of weatherization assistance provided to tenants;
- 897 (D) The number of homeowners and tenants whose heat or total

898 energy costs are not included in their rent receiving fuel and 899 emergency assistance under the program by benefit level;

- (E) The number of homeowners and tenants whose heat is included in their rent and who are receiving assistance, by benefit level; [and]
- 902 (F) The number of households receiving assistance, by energy type 903 and total expenditures for each energy type; and
  - (G) The number of households to which it provides cash, medical or food assistance from which the Department of Social Services obtained permission and transmitted information regarding the household to conservation programs developed pursuant to the comprehensive conservation plan approved in accordance with section 503 of this act and sections 7-233y, 16-32f and 16-245m, as amended by this act.
  - (b) The Commissioner of Social Services shall implement a program to purchase deliverable fuel for low-income households participating in the Connecticut energy assistance program and the state-appropriated fuel assistance program. The commissioner shall ensure that no fuel vendor discriminates against fuel assistance program recipients who are under the vendor's standard payment, delivery, service or other similar plans. The commissioner may take advantage of programs offered by fuel vendors that reduce the cost of the fuel purchased, including, but not limited to, fixed price, capped price, prepurchase or summer-fill programs that reduce program cost and that make the maximum use of program revenues. As funding allows, the commissioner shall ensure that all agencies administering the fuel assistance program shall make payments to program fuel vendors in advance of the delivery of energy where vendor provided price-management strategies require payments in advance.
  - (c) Each community action agency administering a fuel assistance program shall submit reports, as requested by the Commissioner of Social Services, concerning pricing information from vendors of deliverable fuel participating in the program. Such information shall include, but not be limited to, the state-wide or regional retail price per

unit of deliverable fuel, the reduced price per unit paid by the state for the deliverable fuel in utilizing price management strategies offered by program vendors for all consumers, the number of units delivered to the state under the program and the total savings under the program due to the purchase of deliverable fuel utilizing price-management strategies offered by program vendors for all consumers.

- (d) If funding allows, the Commissioner of Social Services, in consultation with the Secretary of the Office of Policy and Management, shall require that, each community action agency administering a fuel assistance program begin accepting applications for the program not later than September first of each year.
- 941 (e) Weatherization assistance funded or administered by or through 942 the Department of Social Services shall be integrated, to the extent 943 practicable, with conservation programs adopted pursuant to section 503 of this act and sections 7-233y, 16-32f and 16-245m, as amended by 944 945 this act, to simplify consumer access to integrated services of all 946 available resources and minimize expenses in the administration of 947 each program. The Commissioner of Social Services shall, at least one 948 month before adoption of any plan for expenditure of funds for 949 weatherization assistance or submission of such plan to the General 950 Assembly, any committees thereof or any federal agency, submit its 951 proposed plan to the Energy Conservation Management Board for 952 advice regarding such plan and integration of such weatherization 953 assistance with conservation programs contained in 954 comprehensive conservation plan approved in accordance with said 955 section 503 and said sections 7-233y, 16-32f and 16-245m. The commissioner shall provide a copy of any final weatherization 956 957 assistance plan before its implementation to such board and to the joint 958 standing committees of the General Assembly having cognizance of 959 matters relating to energy, the environment and human services and 960 shall simultaneously report the comments of the Energy Conservation 961 Management Board and the extent to which the weatherization 962 assistance is integrated with other available conservation programs.

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963 Sec. 510. Section 16-245z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

[Not later than October 1, 2005, the] The Department of Public Utility Control, [and] the Connecticut Electric Authority, the Energy Conservation Management Board, established in section [16-245m,] 501 of this act, the Renewable Energy Resources Board established pursuant to section 16-245n, as amended by this act, each electric distribution company, each gas company and each municipal electric utility to the extent programs may be available to their customers shall establish links on their Internet web sites to web sites for conservation and renewable resources programs in the comprehensive conservation plan approved in accordance with section 503 of this act and sections 7-233y, 16-32f and 16-245n, as amended by this act, and web sites for other conservation assistance that may be available to Connecticut residents, including rebate programs and tax exemptions or reductions, and the Energy Star program or successor program that promotes energy efficiency and each electric distribution company shall establish a link under its conservation programs on its Internet web site to the Energy Star program or such successor program.

Sec. 511. Section 16a-35k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

The General Assembly finds that the state of Connecticut is severely disadvantaged by its lack of primary energy resources; that primarily as a result of past policies and tendencies, the state has become dependent upon petroleum as an energy source; that national energy policies do not preclude the recurrence of serious problems arising from this dependence during petroleum shortages; that the increase in oil prices since the 1973 oil embargo has had a major impact on the state; that the economy has suffered directly because of our dependence on petroleum and constraints upon the rate of conversion to alternatives; that other conventional sources of energy are subject to constraints involving supply, transportation, cost and environmental, health and safety considerations; and that the state must address these

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problems by conserving energy, increasing the efficiency of energy utilization and developing renewable energy sources. The General Assembly further finds that energy use has a profound impact on the society, economy and environment of the state, particularly in its impact on low and moderate-income households and interrelationship with population growth, high density urbanization, industrial wellbeing, resource utilization, technological development and social advancement, and that energy is critically important to the overall welfare and development of our society. Therefore, the General Assembly declares that it is the policy of the state of Connecticut to (1) conserve energy resources by avoiding unnecessary and wasteful consumption; (2) consume energy resources in the most efficient manner feasible; (3) develop and utilize renewable energy resources, such as solar and wind energy, to the maximum practicable extent; (4) diversify the state's energy supply mix; (5) where practicable, replace energy resources vulnerable to interruption due to circumstances beyond the state's control with those less vulnerable; (6) assist citizens and businesses in implementing measures to reduce energy consumption and costs; (7) ensure that low-income households can meet essential energy needs; (8) maintain planning and preparedness capabilities necessary to deal effectively with future energy supply interruptions; [and] (9) reduce by 2015, state-wide energy consumption from 2006 levels by ten per cent per capita through employing efficiency and conservation measures; and (10) when available energy alternatives are equivalent, give preference for capacity additions first to conservation and load management. The state shall seek all possible ways to implement this policy through public education and cooperative efforts involving the federal government, regional organizations, municipal governments, other public and private organizations and concerned individuals, using all practical means and measures, including financial and technical assistance, in a manner calculated to promote the general welfare by creating and maintaining conditions under which energy can be utilized effectively and efficiently. The General Assembly further declares that it is the continuing responsibility of the state to use all means consistent with

other essential considerations of state policy to improve and coordinate the plans, functions, programs and resources of the state to attain the objectives stated herein without harm to the environment, risk to health or safety or other undesirable or unintended consequences, to preserve wherever possible a society which supports a diversity and variety of individual choice, to achieve a balance between population and resource use which will permit the maintenance of adequate living standards and a sharing of life's amenities among all citizens, and to enhance the utilization of renewable resources so that the availability of nonrenewable resources can be extended to future generations. The General Assembly declares that the energy policy is essential to the preservation and enhancement of the health, safety and general welfare of the people of the state and that its implementation therefore constitutes a significant and valid public purpose for all state actions.

Sec. 512. (NEW) (Effective July 1, 2009) The Department of Social Services shall develop a plan to weatherize at least thirty per cent of Connecticut households with incomes below two hundred per cent of the federal poverty level and reduce energy consumption in each of the households by at least twenty per cent not later than July 1, 2014. Not later than November 1, 2009, and at least forty-five days before implementation, the department shall submit such plan to the Connecticut Energy Advisory Board and the Energy Conservation Management Board for input and advice. The Energy Conservation Management Board may order modification of the plan to ensure effective prioritization and coordination of weatherization assistance in accordance with this section.

Sec. 513. Subsection (a) of section 16a-37u of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2009):

(a) The Secretary of the Office of Policy and Management shall be responsible for planning and managing energy use in state-owned and leased buildings and shall establish a program to maximize the

efficiency with which energy is utilized in such buildings and, on and 1064 1065 after July 1, 2009, reduce energy consumption in such buildings by at 1066 least ten per cent by January 1, 2010. The secretary shall exercise this 1067 authority by (1) preparing and implementing annual and long-range 1068 plans, with timetables, establishing goals for reducing state energy 1069 consumption and, based on energy audits, specific objectives for state agencies to meet the performance standards adopted under section 1070 1071 16a-38; (2) coordinating federal and state energy conservation 1072 resources and activities, including but not limited to, those required to 1073 be performed by other state agencies under this chapter; and (3) monitoring energy use and costs by budgeted state agencies on a 1074 1075 monthly basis.

- Sec. 514. Subdivision (2) of subsection (c) of section 4-73 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
- 1079 (2) In addition, the supporting schedule of agency energy costs shall 1080 be supported by a statement of the agency's plans for energy 1081 conservation in each fiscal year of the ensuing biennium, and a 1082 statement of the progress the agency has made in the last-completed 1083 fiscal year concerning energy conservation. For the biennium 1084 commencing July 1, 2010, and each biennium thereafter, the Office of 1085 Policy and Management shall submit in accordance with the 1086 provisions of section 11-4a such supporting schedule to the joint 1087 standing committees of the General Assembly having cognizance of 1088 matters relating to energy, the environment and commerce.
- Sec. 515. Sections 7-233z and 16a-22*l* of the general statutes and subsections (e) and (f) of section 16-245m of the general statutes are repealed. (*Effective July 1, 2009*)"